(c) whether Government would assure of commencing this work on **a** war-footing at least at this stage; and

(d) if not, the reasons therefor?

THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE): (a) to (d) Cantonment Board Secunderabad have approved the estimates for reconstruction of the road culvert at Wellington Road near Laxminagar, Picket amounting to Rs. 9,75,000 00 vide their Resolution No: 17(5), dated 29.12.2003. Instructions have been issued to expedite the work.

Private participation in defence production

37. SHRIMATI N.P. DURGA: Will the Minister of DEFENCE be pleased to state:

(a) the number of Letters of Intent issued to private manufacturing companies to produce Defence Products;

(b) total FDI in Defence sector since May, 2001, when it was opened for private participation; and

(c) the details of areas that are coered for private people to manufacture the Defence items?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI B.K. HANDIQUE): (a) 23 Letters of Intent/Industrial Licences have so far been issued to private companies for manufacturing various types of defence equipment.

(b) NIL

(c) The defence industry sector is open up to 100% for Indian private sector participation subject to licensing.

Participation of private sector in defence production

38. SHRI VEDPRAKASH P. GOYAL: Will the Minister of DEFENCE be pleased to state:

(a) what steps are taken to increase private sector participation in defence production;

(b) at present, what is the level of private sector in defence production in volume and percentage terms;

(c) what steps have taken to simplify the procedures to involve private sector, so far; and

(d) the details of results achieved so far?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI B.K. HANDIQUE): (a) In May 2001, the defence industry sector was opened up to 100% for Indian private sector participation with FDI permissible up to 26% both subject to licensing.

(b) The level of private sector participation in defence production in the Defence Public Sector Undertakings and Ordnance Factories during the year 2004-05 in terms of value has been of the order of Rs. 1,901 crore and Rs. 2,177 crore, respectively, which works out to about 19% for Defence PSUs and 68% in the case of Ordnance Factories of the total purchases made by them.

(c) and (d) Detailed guidelines in the form of Press Note No. 2 (2002 Series) dated 4th January 2002 has been issued by the Department of Industrial policy & Promotion in consultation with the Ministry of Defence for licensing production of arms and ammunition. So far, 23 Letters of Intent/Industrial Licences have been issued to private companies for manufacture of a wide range of Defence items.

Change in designation of MNS Cadre

39. SHRI K. CHANDRAN PILLAI: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that there is an Army proposal to divest the Military Nursing Service Cadre of their rank as officers and replace them with designation such as "Sister" and "Matron",

(b) if so, the details thereof;

(c) the rationale of such decisions; and

(d) the reaction of Government thereto?

THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE): (a) to (d) A ten-member Committee was constituted by the Chief of the Army